GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:386
ANSWERED ON:12.08.2016
Financial Frauds
Pandey Shri Ravindra Kumar

Will the Minister of FINANCE be pleased to state:

(a) whether any survey has been conducted to assess the efficacy of the Enforcement Directorate (ED), Income Tax Department and Central Customs and Excise Department in implementation of the Prevention of Money Laundering Act, 2002, the Foreign Exchange Management Act,1999 and the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 and if so, the outcome thereof;

(b) whether ED has started investigation against accused persons/entities in cheating and corruption cases and if so, the details of such cases during the last three years and the current year;

(c) whether the Customs Department has started investigation against alleged malpractices/irregularities at the Inland Container Depots in the country and if so, the details thereof for the above period; and

(d) the action being taken by the Government in these cases?

Answer

FINANCE MINISTER
(SHRI ARUN JAITLEY)

(a)to (d) : A statement is laid on the Table of the House.

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Statement referred to in parts (a) to (d) of the Lok Sabha Starred Question No. *386 for answer on 12-08-2016 regarding "Financial Frauds" by Shri Ravindra Kumar Pandey

(a) The different agencies of Revenue Department implement so many different Acts. The efficacy of these agencies is measured by way of monitoring of their activities regularly. No specific survey is conducted by the Government to assess the efficacy of these law enforcement agencies.

(b) Enforcement Directorate conducts investigations under PMLA in cases where one or more offences included in the schedule to PMLA are committed by any persons/entities. These include cases involving predicate offence under Section 420 of Indian Penal Code, 1860 (i.e. cheating) and under the Prevention of Corruption Act, 1988 (i.e. corruption). The number of such cases registered during the last three financial years and the current year (upto 31.07.2016) are as follows:-

S.No. Nature of offence Cases registered during the financial year
2013-14 2014-15 2015-16 2016-17(upto 31.07.2016)
1 Section 420 of Indian Penal Code, 1860 95 101 57 24
2 Prevention of Corruption Act, 1988 55 49 47 10

(c) In the year 2013, Directorate of Revenue Intelligence (DRI) had started investigation, wherein some containers were imported in the name of different firms/companies and before examination, goods contained in the said containers were stolen from ICD, Tughlakabad, New Delhi.

(d) The cases under Enforcement Directorate are at various stages of investigations. Disclosure of details, names of persons and other particulars of these cases at this stage will not be in public interest as the same may hamper the investigations.

Further, DRI has initiated action for demanding duty of Rs.87.21 lakhs in respect of stolen goods under the Customs Act, 1962 from the Custodian, i.e., CONCOR.